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# Foreign

# CROPS AND MARKETS

U. S. DEPARTMENT OF AGRICULTURE

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## CONTENTS

NUMBER 1

### COTTON

PAGE

U. S. Exports of American-Egyptian Cotton Increase .....	4
India Allows Further Cotton Imports .....	14
Nigeria's 1958-59 Cotton Crop Expected To Be Well Below 1957-58 Record .....	14

### DAIRY AND POULTRY PRODUCTS

Argentina Shipping Less Butter and Cheese .....	5
U. K. Importing Larger Volume of Dairy Products .....	5
World Butter and Cheese Prices .....	6
Ireland's Butter Exports Increasing .....	16

### FATS, OILSEEDS, AND OILS

Peru Prohibits Cottonseed Oilcake Exports .....	10
Japan Expects Little Change in 1959 Oilseed Acreages .....	11

### FOREIGN TRADE DEVELOPMENTS

Denmark Seeks Guarantees for Exports to West Germany .....	2
France Devalues the Franc .....	15

### FRUITS, VEGETABLES, AND NUTS

Yugoslav 1958 Prune Exports Forecast.....	12
U. K. Approves Use of Ortho-Phenylphenol for Certain Fruit .....	15

### GRAINS, FEEDS, SEEDS, AND HOPS

Italian Rice Harvest Largest in 3 Years .....	7
Ghana Good Market for U. S. and Canadian Flour .....	8
Canadian Wheat and Flour Exports Increase in July-October 1958.....	8
Yugoslavia Striving for Self-Sufficiency in Wheat .....	10
France Again Increases Rice Production.....	12

(Continued on following page)

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## LIVESTOCK AND MEAT PRODUCTS

Australia Has New Meat Exporting Company.....	12
Australian Wool Production Estimate Revised Upward.....	14

## SUGAR AND TROPICAL PRODUCTS

Liberia Increases Coffee Acreage.....	5
Cuba Sets Price for 1958-Crop Sugar.....	15

## TOBACCO

Greek-Czechoslovak Trade Agreement Includes Tobacco.....	3
Austrian Tobacco Imports Decline.....	3
Cuba Growing More Tobacco Leaf.....	4
Philippine Flue-Cured Tobacco Crop Sets New Record.....	4

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DENMARK SEEKS GUARANTEES FOR  
EXPORTS TO WEST GERMANY

Danish and West German representatives were to meet in Copenhagen before Christmas for talks which press reports indicate were designed to give Denmark greater assurance about its future agricultural exports to Germany.

Denmark's agricultural exports to that country, which constitute three-fourths of all Danish exports to Germany, have increased in recent years but are very dependent upon decisions of German Ministry of Agriculture import planners.

Therefore, in addition to routine trade talks about the 1959 Danish-German commodity lists, the representatives are understood to have been considering longer-term guarantees, involving a whole treaty, or individual commodities. Major agricultural items being considered are cattle, hogs, and possibly malting barley.

West Germany is unlikely to enter into commitments for butter--formerly important in Danish-German trade--in view of greater German domestic production, and as yet unknown German obligations under the European Economic Community (Common Market).

GREEK-CZECHOSLOVAK TRADE  
AGREEMENT INCLUDES TOBACCO

A recent 3-year commercial treaty concluded between Greece and Czechoslovakia provides for the export of \$3.3 million worth of Greek tobacco to Czechoslovakia during 1959. Greece is to receive industrial machinery in return for the tobacco and other commodities.

AUSTRIAN TOBACCO IMPORTS DECLINE

Austrian imports of unmanufactured tobacco in the first half of 1958, at 10.9 million pounds, were substantially smaller than the 13.7 million pounds taken in the first half of 1957. Imports from the United States, at 2.5 million pounds, were about 22 percent larger than for the same period a year earlier.

Imports from all other major suppliers were smaller in January-June 1958 than in the first 6 months of 1957. The most significant decline was in imports of oriental tobacco from Greece and Turkey. In the first half of 1957 these countries supplied 8.5 million pounds of Austria's leaf imports. During the first half of 1958, however, only 6.3 million pounds were imported from Greece and Turkey. Leaf takings from the Federation of Rhodesia and Nyasaland were also smaller in January-June 1958 than in the same period of 1957.

TOBACCO, UNMANUFACTURED: Austria, imports by country of origin,  
January-June 1956-58

Country of origin	January-June		
	1956	1957	1958
	<u>1,000 pounds</u>	<u>1,000 pounds</u>	<u>1,000 pounds</u>
United States.....	2,964	2,038	2,491
Greece.....	3,234	5,525	3,466
Turkey.....	2,807	3,011	2,189
Bulgaria.....	926	132	--
Brazil.....	1,003	1,235	1,177
Yugoslavia.....	381	300	143
Argentina.....	--	648	153
Rhodesias-Nyasaland.....	6	409	303
Hungary.....	937	304	220
Other.....	1,196	127	797
Total.....	13,454	13,729	10,939

Source: Statistik des Aussenhandels Osterreichs.

#### CUBA GROWING MORE CIGARETTE LEAF

Cuba's 1958 cigarette tobacco crop is now estimated at 5.8 million pounds--much larger than the 1957 crop. The increase was practically all in Burley production, which rose from 1.0 million pounds in 1957 to 4.2 million in 1958. Flue-cured production remained about the same as in 1957.

Over one-half of the Burley crop was reportedly grown for export. Most of the balance has been contracted for by local cigarette manufacturers for use in mild cigarettes. All of the 1958 flue-cured crop is to be used in domestic cigarettes. Cigarette tobacco is now under national production quotas and is intended to replace cigar leaf grown in unsuitable areas.

Production of Burley tobacco in 1959 is expected to be about the same as in 1958. Flue-cured production, however, is expected to double in response to increased demand for its use in domestic, mild cigarettes.

#### PHILIPPINE FLUE-CURED TOBACCO CROP SETS NEW RECORD

Production of flue-cured (seed) tobacco in the Philippines reached a record 70 million pounds in 1958. The crop was about 12 percent larger than in 1957, thus continuing the rapid production uptrend of recent years. As in 1957, a portion of the 1958 crop grown from flue-cured seed was again sun-cured due to inadequate curing facilities.

Although the crop is considerably larger than domestic flue-cured requirements, much of it is of low quality. Consequently, there is a continuing shortage of leaf suitable for the better grades of cigarettes.

Production of native tobacco in 1958, at 40.5 million pounds, was about the same as in 1957, but forecasts indicate a smaller 1959 crop.

#### U. S. EXPORTS OF AMERICAN- EGYPTIAN COTTON INCREASE

United States exports of American-Egyptian (extra-long staple) cotton were 3,273 bales (500 pounds gross) in October 1958, compared with 2,825 bales in September. Practically all of the October exports went to Spain.

Exports during August-October totaled 6,150 bales, in comparison with 208 bales a year earlier. Spain received 6,095 bales of the August-October exports, and the remaining 55 bales went to the United Kingdom.



# LIBERIA INCREASES COFFEE ACREAGE

Liberia is now adding new acreage of coffee at the rate of about 2,500 acres per year. Present coffee acreage is estimated between 25,000 and 28,000 acres. A large percentage of this is in remote areas and poorly cared for; however, the promotion of coffee-growing is meeting with success and a long-term production goal of 200,000 bags does not appear unreasonable.

# ARGENTINA SHIPPING LESS BUTTER AND CHEESE

Exports of butter from Argentina dropped from 29.8 million pounds in January-September 1957 to 15.6 million pounds in the same period of 1958. The United Kingdom remained the chief market, although shipments were only 10.5 million pounds, compared with 29.8 million pounds a year earlier.

Cheese exports also declined. The total for January-September 1958, at 4.3 million pounds, was 17 percent below the 1957 level; the drop was largely in exports to the United States. Exports of casein were also down 17 percent, to 47.8 million pounds; sales to Italy, Brazil, and Japan were smaller.

# U. K. IMPORTING LARGER VOLUME OF DAIRY PRODUCTS

The United Kingdom's overall imports of dairy products in the first 10 months of 1958 were 13 percent higher than those in comparable 1957.

Butter imports increased 24 percent to 795.8 million pounds. Shipments from all of the major supplying countries with the exception of Australia, Argentina, and Finland were much heavier than a year earlier.

Cheese imports in January-October 1958 dropped to 203.5 million pounds from 229.2 million pounds a year earlier. Shipments from all the principal suppliers were much less in this period.

Total dried milk imports were down 8 percent to 79.6 million pounds. U. K. imports of dried whole milk rose to 14.9 million pounds from 13.6 million pounds, but imports of dried skimmed milk dropped 12 percent to 64.6 million pounds; smaller shipments from Australia and New Zealand accounted for this decline.

Exports of canned milk (both condensed and evaporated) amounted to 73.3 million pounds, compared with 87.9 million pounds in the comparable 1957 period. This decrease was largely attributed to a 23-percent drop in exports of condensed milk, which made up about 77 percent of total canned milk shipments. Dried milk exports from the United Kingdom during January-October 1958 were 22.1 million pounds; in the same period of 1957, shipments were 16.6 million pounds.

**WORLD BUTTER AND CHEESE PRICES: Wholesale prices at specified markets,  
with comparisons  
(U. S. cents per pound)**

Country, market, and description	Butter				Cheese			
	Quotations				Quotations			
	Cur--: Month : Year				Cur--: Month : Year			
	1958	rent	earlier	earlier	1958	rent	earlier	earlier
United Kingdom (London):								
New Zealand, finest-----	Nov.27	34.2	31.8	32.5				
Australian choicest-----	Nov.27	34.1	31.6	32.4				
New Zealand, finest								
white-----					Nov.27	36.4	33.1	16.4
Australian choicest								
white-----					Nov.27	36.4	32.2	15.6
Australia (Sydney):								
Choicest butter-----	Nov.27	48.5	46.6	46.7				
Choicest cheddar-----					Nov.27	29.2	29.2	28.2
Irish Republic (Dublin):								
Creamery butter-----	Nov.27	54.8	54.8	54.8				
Cheese-----					Nov.27	30.8	30.8	30.8
Denmark (Copenhagen)-----	Nov.20	39.6	34.6	36.3				
France (Paris):								
Charentes creamery-----	Nov.29	81.2	75.8	83.4				
Germany (Kempten):								
Markenbutter-----	Nov.26	66.5	65.9	68.1				
United States:								
92-score creamery (N.Y.):	Nov.26	59.2	59.2	61.2				
Cheddar (Wisconsin)-----					Nov.26	33.0	34.5	35.0
Netherlands (Leeuwarden):								
Creamery butter-----			41.2	49.9				
Full cream Gouda-----					Nov.21	27.2	24.1	23.5
Edam, 40 percent-----					Nov.21	25.2	22.9	21.0
Belgium (Hasselt):-----	Nov.27	76.3	76.9	84.0				
Canada (Montreal):								
1st grade creamery-----	Nov.22	66.7	65.4	64.0				
Ontario white-----					Nov.22	34.2	34.0	35.4

Source: Intelligence Bulletin, the Commonwealth Economic Committee; and the Dairy Division, Agricultural Marketing Service, USDA.



### ITALIAN RICE HARVEST LARGEST IN 3 YEARS

Italy's 1958 rice harvest (September-October) is the largest since 1955. Estimated production, at 1,565 million pounds of rough rice, is substantially larger than the 1,316.1-million-pound crop of 1957, but is still below the average of 1,881.4 million pounds in 1950-54.

Rice acreage in 1958 increased 35,000 acres and favorable weather resulted in the highest per acre yield since 1955. Labor shortage in the rice fields was a problem. Industrial expansion in north and central Italy has absorbed a substantial number of the itinerant women workers who for years have specialized in rice-transplanting and weeding.

The Ente Nazionale Risi is stressing (1) importance of quality production in order to expand domestic rice consumption and exports, and (2) reduction in production costs. Therefore, the acreage planted in medium and long-grain varieties is increasing steadily, and the practice of chemical weeding and mechanical planting is gaining rapidly.

Rice stocks at the end of the 1957-58 marketing year (September 15), estimated at 35,000 metric tons of rough rice, were the lowest in years. The decrease was due to the reduced crop of 1957 and to a 15-percent gain in rice exports in 1957-58.

Rice exports in the 1957-58 marketing year which ended September 15 totaled 484 million pounds, of which 372 million pounds were classified as milled rice, 101 million pounds as rough and semi-rough, and 11 million pounds as broken rice. The principal countries of destination were Indonesia, Japan, the British Colonies, Switzerland, the United Kingdom, and Austria.

When the European Common Market becomes effective, Italy will make every effort to ship its rice to the member countries--Belgium and Luxembourg, France, Netherlands, and West Germany. So far, however, the bulk of Italy's production has been short-grain rice, while the member countries import sizable amounts of long-grain rice.

The European Common Market, although technically in effect in January 1958 will actually put into effect the first tariff reductions in January 1959. It will be some time before the full impact of this 6-nation agreement will become evident in the European rice trade.

Italy's rice exports to the "common market" countries in the first 11 months of the 1957-58 marketing year (September 15-August 15) were only 8 percent of total exports. Rice exports to these countries came to 49,571,000 pounds: 26,515,000 pounds of milled rice; 22,090,000 pounds of semi-milled; and 966,000 pounds of broken rice. The largest amount--25,904,000 pounds of milled rice--went to the Netherlands. Nearly 18 million pounds, mostly semi-milled, was reported to West Germany. France took 5.5 million pounds, mostly semi-milled rice, and Belgium took only 218,000 pounds.

## GHANA GOOD MARKET FOR U. S. AND CANADIAN FLOUR

Ghana's imports of wheat flour from the United States and Canada during the first half (January-June) of 1958 totaled 391,557 cwts. of 100 pounds each.

Of that quantity 302,625 cwts., valued at 841,355 British West African pounds (1 BWA pound equals U.S. \$2.80), came from the United States and 88,932 cwts., valued at 257,830 BWA pounds, from Canada. According to the flour trade in Accra, the values are good indications of c.i.f. prices.

Flour is generally imported in two 50-pound bags with an Osnaburg outer cover and a plastic "surf liner." Prices are figured on 100 pounds net of flour.

For flour packed as indicated, Accra c.i.f. prices are £2 11s. 9d. per 100 pounds net for first grade and £2 10s. 9d. for second grade. When imported in bulk of 400 pounds or more, there is a slight reduction. Many of the larger bakers import in 100-pound cotton sacks with a jute cover and a surf liner at 3s. 3d. per 100-pound bag less.

## CANADIAN WHEAT AND FLOUR EXPORTS INCREASE IN JULY-OCTOBER 1958

Canadian wheat and flour exports during July-October 1958 totaled 99 million bushels, about 2.6 million above the same period a year earlier.

Total exports to Europe declined slightly, although those to the United Kingdom, Switzerland, and the Netherlands showed a sizable gain. Exports to West Germany decreased substantially, while Poland took none, against 2.5 million bushels in the first 4 months of 1957.

Exports to Asia increased substantially as a result of shipments which began late in 1957-58 and continued into early 1958-59. No wheat or flour went to China and Israel during September and October, and India took less in these 2 months than it did in July and August.

Exports to Japan were considerably less in the first 4 months of 1958-59, although in October they were 3.4 million bushels, compared with only 1.0 million in September and 2.2 million in October 1957.

On the basis of the Canadian marketing year (August-July) exports during August-November are preliminarily estimated at about 103 million bushels, compared with 92.1 million during the first 4 months of 1957-58.

WHEAT AND FLOUR: Canadian exports by country of destination,  
July-October 1957 and July-October 1958

Destination	July-October 1957			July-October 1958		
	Wheat	Flour	Total	Wheat	Flour	Total
: - - - 1,000 bushels, grain equivalent - - -						
Western Hemisphere:	:	:	:	:	:	:
United States .....	2,708:	494:	3,202:	1,668:	521:	2,189
British West Indies ...	7:	1,553:	1,560:	10:	1,633:	1,643
Central America .....	76:	398:	474:	56:	484:	540
Cuba .....	1:	88:	89:	-- :	160:	160
Ecuador .....	158:	-- :	158:	535:	-- :	535
Peru .....	-- :	5:	5:	597:	11:	608
Venezuela .....	34:	911:	945:	585:	648:	1,233
Others .....	-- :	510:	510:	1:	617:	618
Total .....	2,984:	3,959:	6,943:	3,452:	4,074:	7,526
Europe:	:	:	:	:	:	:
Belgium-Luxembourg ....	5,634:	96:	5,730:	4,479:	165:	4,644
France .....	1,325:	-- :	1,325:	-- :	-- :	--
Germany, West .....	12,505:	-- :	12,505:	9,432:	-- :	9,432
Italy .....	184:	-- :	184:	784:	1:	785
Netherlands .....	7,420:	1/ :	7,420:	9,266:	3:	9,269
Norway .....	1,022:	-- :	1,022:	1,208:	-- :	1,208
Poland .....	2,535:	-- :	2,535:	-- :	-- :	--
Switzerland .....	916:	1/ :	916:	3,186:	-- :	3,186
United Kingdom .....	30,811:	4,029:	34,840:	33,230:	4,548:	37,778
Others .....	2,746:	46:	2,792:	1,670:	53:	1,723
Total .....	65,098:	4,171:	69,269:	63,255:	4,770:	68,025
Asia:	:	:	:	:	:	:
China (Taiwan) .....	-- :	-- :	-- :	1,658:	-- :	1,658
India .....	-- :	20:	20:	3,237:	2:	3,239
Israel .....	-- :	-- :	-- :	1,112:	-- :	1,112
Japan .....	16,656:	317:	16,973:	14,596:	30:	14,626
Philippine Republic ...	-- :	2,055:	2,055:	1/ :	1,165:	1,165
Others .....	198:	460:	658:	214:	928:	1,142
Total .....	16,854:	2,852:	19,706:	20,817:	2,125:	22,942
Africa .....	266:	357:	623:	127:	590:	717
Oceania .....	-- :	18:	18:	-- :	2:	2
World total .....	85,202:	11,357:	96,559:	87,651:	11,561:	99,212

1/ Less than 500 bushels.

Compiled from Trade of Canada, Dominion Bureau of Statistics, Department of Commerce, Ottawa, Canada.



## PERU PROHIBITS COTTONSEED OILCAKE EXPORTS

A Ministerial Resolution of November 17, 1958, prohibits exports of cottonseed oilcake from Peru until such time as supplies exceed domestic demand. The measure was taken because of cattlemen's complaints that cottonseed cake producers were exporting most of their output and that badly needed domestic supplies were not available.

## YUGOSLAVIA STRIVING FOR SELF-SUFFICIENCY IN WHEAT

Yugoslav officials are optimistic about the prospect for increasing wheat production by using Italian varieties of seed. They believe the use of such seed will make it possible to achieve the goals of the 5-Year Plan and of the Federal Chamber of Agriculture. The Chamber is striving to increase wheat production to 4.3 million metric tons (1 metric ton equals 36.7 bushels) by 1961, and to 4.7 million tons by 1962.

Yugoslav plans call for 800,000 hectares (1 hectare equals 2.471 acres) to be planted in Italian wheat. This is expected to produce 3.2 million tons. Plans also call for 1 million hectares of domestic wheat which could produce 1.5 million tons. Average yields on state farms encourage belief that these goals can be attained.

Fears of Yugoslav agricultural scientists that bread produced from high-yielding Italian wheat would be inferior have not been borne out by tests conducted so far.

Because of a cold, wet spring followed by a dry summer and a drought in southern Yugoslavia, the country's 1958 wheat crop is estimated at only 88.2 million bushels, compared with 114.0 million in 1957 and the 1950-54 average of 80.0 million. Over 1.1 million tons (40 million bushels) will have to be imported in 1958-59. About 7.3 million bushels have been purchased from the Soviet Union. The balance will be imported from the United States, mainly under Public Law 480.

The harvested area in high-yielding Italian wheat varieties increased from 2,500 acres in 1957 to about 98,800 acres for the 1958 crop. The plan was to sow about 741,000 acres to such wheat last fall for the 1959 harvest, but only about 680,000 acres are believed to have been seeded. The shortfall is attributed to a shortage of tractors and tractor plows.

Yugoslav farmers can obtain the high-yielding Italian seed only by signing a contract whereby the cooperative will deep plow; supply fertilizers for application at prescribed rates; and combine or thresh the crop if the grower desires. The grain is marketed through the cooperative, which retains from the proceeds its payment for service, supplies, advice, and any credit advanced.

# JAPAN EXPECTS LITTLE CHANGE IN 1959 OILSEED ACREAGES

Japanese production of oilseeds in 1959 may approximate that of 1958, since no significant changes in acreage are expected. The outlook is for slight declines in the areas planted to flaxseed and sesame seed, and for minor expansion in soybean, rapeseed, and peanut acreages.

The 1958 soybean crop was about 5 percent below the 1957 outturn, with about the same percentage reduction in acreage.

Rapeseed production in 1958 was 7 percent below that of 1957, and acreage declined 13 percent. Late spring frosts apparently reduced the area of rapeseed harvested, but yields were better than the drought-reduced yields of 1957. The 1958 rapeseed yields were considered 90 percent of "normal".

The domestic supply of rapeseed is expected to be exhausted by the end of February 1959. The government has provided special funds to import 8,000 metric tons (8,818 short tons) during the second half of the Japanese fiscal year 1958 (ending March 31, 1959), and it is unofficially predicted that imports will be increased to around 20,000 metric tons (22,046 short tons).

Although Japan grows sizable quantities of peanuts, they are mostly the large kernel type and are used as a confectionery. Imports of similar types are not approved, but on September 12, 1958, the government allocated \$400,000 for the import of small kernel types.

## OILSEEDS: Japan, acreage and production by kind, 1957 and 1958

Oilseed	Acreage		Production	
	1957 1/	1958 2/	1957 1/	1958 2/
	1,000	1,000	1,000	1,000
	<u>acres</u>	<u>acres</u>	<u>short tons</u>	<u>short tons</u>
Rapeseed.....	639	557	315.5	294.2
Peanuts.....	98	108	55.4	65.0
Sesame seed.....	21	21	5.6	5.5
	1,000	1,000	1,000	1,000
	<u>acres</u>	<u>acres</u>	<u>bushels</u>	<u>bushels</u>
Soybeans.....	899	856	16,855	16,057
Flaxseed.....	39	34	146	130

1/ Revised. 2/ Preliminary.

Compiled from official sources.



#### AUSTRALIA HAS NEW MEAT EXPORTING COMPANY

The Derby Meat Processing Company, Ltd. has recently been formed in Australia to export beef produced by Air Beef, Ltd., which operates in relatively undeveloped northwest Australia.

Cattle are gathered from remote interior "stations," or ranches, and slaughtered in Air Beef's abattoir at Glenroy Station deep in the King Leopold Mountains. The beef is then shipped by air to the ports of Wyndham or Derby. Air Beef is also constructing a small slaughtering plant at Derby (see Foreign Crops and Markets, February 10, 1958).

During the recent slaughtering season, about 3,000 head of cattle were slaughtered by Air Beef at Glenroy Station. About 6,000 head were slaughtered at the port of Broome, near Derby. The Derby installation will slaughter about 5,000 head of cattle per year in addition to handling beef shipped from Glenroy Station. At present, the Derby harbor is too shallow to take ocean-going ships, and export beef must first go by coastal steamer to Perth, where it is transferred to larger ships. When a proposed deep-water harbor is completed at Black Rocks near Derby, the beef may be shipped direct.

#### YUGOSLAV 1958 PRUNE EXPORTS FORECAST

Trade sources now estimate the 1958 Yugoslav dried prune pack at 22,000 short tons--about 17 percent more than the 18,800-ton output of 1957. The fruit is reported to be small, with only 40 percent reaching Size 95/100 per half kilo (1.1 pounds), and the remainder of smaller sizes.

In mid-December, dried prunes were quoted to countries with dollar exchange at \$308 per short ton (15.4 cents per pound) f.o.b. Yugoslav border for Size 95/100 per 1.1 pounds. Prices to Soviet Bloc countries for prunes of similar size and quality were said to average 10 to 15 percent higher.

Most of the 1958 Yugoslav pack has already been sold. Exports, expected to total 21,000 short tons, are forecast as follows: U.S.S.R. 8,800 short tons; Poland 600; East Germany 400; Czechoslovakia 1,100; West Germany 5,500; France 2,300; Belgium, Denmark, Italy, the Netherlands, and Switzerland 2,300 in total.

#### FRANCE AGAIN INCREASES RICE PRODUCTION

France had a marked increase in rice production in 1958, the fourth successive year in which a record crop was produced. The trade now estimates the September-October harvest at 320 million pounds of rough rice, more than double the 143.3-million-pound crop of 1954.

Net imports of rice into France in the January-September period were down from those in the same months of 1957. There was a moderate decrease in imports of milled rice. Imports of broken rice--usually used for beer and starch manufacture--declined sharply. Ninety-five percent of imports were from the franc zone (Cambodia, Madagascar, Vietnam, and Morocco). Rice was also imported from Italy and Thailand.

For the first time, France exported sizable quantities of rice classified as paddy or brown rice. Destinations were the United Kingdom, Algeria, West Germany, Belgium-Luxembourg, and the Netherlands.

RICE: France, imports and exports, January-September 1957 and 1958

Country of origin	Imports		Country of destination	Exports	
	Jan.- Sept. 1957	Jan.- Sept. 1958		Jan.- Sept. 1957	Jan.- Sept. 1958
	: 1,000	: 1,000		: 1,000	: 1,000
	: pounds	: pounds		: pounds	: pounds
Paddy or brown:			Paddy or brown:		
Italy.....	3,347	4,471	Algeria.....	13	4,246
Morocco.....	6,854	5,331	Belgium-Luxembourg:	--	2,425
Other countries.....	778	2	Netherlands.....	--	2,319
			United Kingdom....	--	7,280
Total.....	10,979	9,804	West Germany.....	--	3,263
Milled:			Other countries...	16	30
Italy.....	1,025	300			
Madagascar.....	22,855	20,324	Total.....	29	19,561
Morocco.....	8,607	9,156			
Vietnam.....	2,463	928			
Other countries.....	2,394	1,539	Milled:		
			Algeria.....	902	2,055
Total.....	37,344	32,247	Other countries...	348	200
Broken rice:					
Cambodia.....	83,307	54,343	Total.....	1,250	2,255
Madagascar.....	877	4,821			
Morocco.....	2,143	2,132			
Thailand.....	4,621	0	Broken rice:		
Vietnam.....	27,752	999	Algeria.....	1,534	1,415
Other countries.....	1,078	695	Other countries...	2,714	876
Total.....	119,778	62,990	Total.....	4,248	2,291
Total rice.....	168,101	105,040	Total rice...	5,527	24,107
Net imports....	162,574	80,933		--	--

Source: Customs Bureau, Ministry of Finance, Government of France.

AUSTRALIAN WOOL PRODUCTION  
ESTIMATE REVISED UPWARD

The official estimate of Australian wool production for the 1958-59 season (July-June) is now 1,459 million pounds, grease basis, compared with the July estimate of 1,386 million pounds. This revised figure is near the Foreign Agricultural Service's estimate of 1,475 million pounds (see Foreign Crops and Markets, November 3, 1958).

The official production figure for the 1957-58 season has also been revised slightly to 1,433 million pounds.

INDIA ALLOWS FURTHER  
COTTON IMPORTS

On December 11, 1958, the Government of India announced an import quota for 195,000 bales (400 pounds gross) of cotton from any country. The quota will be made up of 55,000 bales stapling 1-3/16 inches and longer and 140,000 bales stapling 1-1/16 inches and longer. Half of the quota is earmarked for allotment under India's export incentive scheme.

It is believed that this is India's first quota allowing cotton to be imported from any country. In the past the government has specified the country or the currency area from which cotton could be imported.

This is the second import quota released in the 1958-59 season (August-July) and brings the season total to 295,000 bales thus far.

NIGERIA'S 1958-59 COTTON CROP EXPECTED  
TO BE WELL BELOW 1957-58 RECORD

Nigeria's 1958-59 cotton crop, now being harvested, is estimated at 165,000 bales (500 pounds gross), down 20 percent from last year's record crop of 205,000 bales. The decline is attributed mainly to a lack of rain in parts of the northern region where most of Nigeria's cotton is grown. Cotton acreage for 1958-59 is estimated at 800,000 acres, compared with 850,000 acres in 1957-58.

Cotton exports of 111,000 bales from Nigeria in 1957-58 were close to the 1956-57 level of 114,000 bales. Over two-thirds of the 1957-58 exports went to the United Kingdom, with most of the remainder going to the Netherlands, France, West Germany, and Belgium.

Domestic cotton consumption in 1957-58 was estimated at 25,000 bales, against 20,000 bales in 1956-57. The new textile mill at Kaduna, which operated at full capacity during most of 1957-58, used about 10,000 bales. About 15,000 bales were used by home industries. As a result of the record crop in 1957-58, stocks on July 31, 1958, increased to an estimated 65,000 bales, in contrast to only 6,000 bales a year earlier.



#### U. K. APPROVES USE OF ORTHO-PHENYLPHENOL FOR CERTAIN FRUIT

The United Kingdom's appropriate ministries have issued a regulation permitting the import and sale of apples, pears, pineapples, peaches, and melons containing ortho-phenylphenol within prescribed limits. These limits are 10 parts per million on apples, pears, and pineapples; 20 parts per million on peaches; and 125 parts per million on melons.

#### CUBA SETS PRICE FOR 1958-CROP SUGAR

The Cuban Government has set 4.345 cents per U. S. pound as the general average price for 1958-crop sugar. The government also indicated that it would approve a "sugar-production" payment of 6-percent to workers of the 1958 crop. This is equivalent to about \$15 million.

There is general agreement that 1959 potential production is well over 6.6 million short tons, but the quantity that will actually be produced remains uncertain. Total 1959 requirements, including domestic and export needs and a desirable carryover, are still estimated at, or slightly below, 6.6 million tons-- the latest Foreign Agricultural Service estimate.

#### FRANCE DEVALUES THE FRANC

The French Government has devalued the franc from 420 per U. S. dollar to 493.7. The new rate, effective December 27, 1958, applies to all types of transactions.

This is the third time since 1949--the year when most Western European countries devalued their currencies--that the franc has been readjusted in relation to the U.S. dollar. The last devaluation was in the fall of 1957 when, in 2 steps, the official exchange rate was changed from 350 francs per U.S. dollar to 420.

The chief immediate effect of the latest devaluation is that French exports will become cheaper, and thus more competitive in international markets. At the same time imports will, of course, become more expensive.

The devaluation is part of a broader program of financial reform and internal stabilization announced by President DeGaulle. The French Government's action represents an adjustment to conditions created by the 6-nation European Common Market and moves by the United Kingdom and other Western European countries toward eventual convertibility of their currency. The reform restores liberalization to a large share of France's imports from other Western European countries, but does not as yet change the exchange controls applicable to U. S. exports.

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Official Business

IRELAND'S BUTTER  
EXPORTS INCREASING

Irish exports of butter rose from 26.8 million pounds in January-September 1957 to 32.6 million pounds in January-September 1958. All but 762,000 pounds went to the United Kingdom.

Cheese shipments in this period were very small--only 380,000 pounds; but condensed milk exports, at 472,000 pounds, were almost 3 times the comparable 1957 shipments. Dried milk exports increased 57 percent to 9.8 million pounds. Chocolate crumb shipments rose 9 percent to 62.5 million pounds.